Legal Information Regarding the Lifelong Care Agreement

The Lifelong Care Agreement (LCA) is a contract in which one party agrees to provide care for another person until their death in exchange for the transfer of property. These contracts are regulated under Article 611 of the Turkish Code of Obligations, No. 6098, specifically in the section concerning "Lifetime Income and Lifelong Care Agreements."

The relevant article is presented below:

SECOND DIVISION
Lifelong Care Agreement

A. Definition

ARTICLE 611 - A lifelong care agreement is a contract where the caretaker (debtor) agrees to take care of the care recipient (creditor) until their death, and the care recipient agrees to transfer a part of their property or some valuable assets to the caretaker. If the caretaker is appointed as the heir by the care recipient, the provisions of the inheritance contract apply to the lifelong care agreement.

B. Form

ARTICLE 612 - A lifelong care agreement is valid only if it is made in the form of an inheritance contract, even if it does not include the appointment of an heir. If the agreement is made in accordance with the conditions specified by the authorities of an officially recognized care institution, a written form is sufficient for its validity.

C. Security

ARTICLE 613 - The care recipient, who has transferred real property to the caretaker, has the legal right to a mortgage on the real property, akin to the seller's right, to secure their rights.

D. Subject

ARTICLE 614 - By entering into the contract, the care recipient becomes part of the family community of the caretaker. The caretaker is obligated to provide fair and just benefits in exchange for the property received, according to the value of the assets received and the care recipient's previous social position.

The caretaker is obligated to provide suitable food and housing for the care recipient and to provide necessary medical care and attention during illness.

The scope and execution of the care obligations of institutions established to provide lifelong care, including those designated by authorized authorities, are determined by regulations approved by the authorities and are considered part of the agreement.

E. Cancellation and Reduction

ARTICLE 615 - If the care recipient is unable to fulfill their alimony obligations due to the lifelong care agreement, the individuals deprived of this can request the cancellation of the agreement.

In lieu of cancellation, the court may order the caretaker to pay alimony to the persons for whom the care recipient is legally obligated to provide support, deducting from the obligations to be fulfilled by the caretaker.

The right of heirs to reduce the agreement and creditors to request cancellation remains.

F. Termination

I. Termination with Prior Notice

ARTICLE 616 - If there is a significant imbalance between the duties of the parties and the party benefiting from the imbalance cannot prove that the donation was made with intent, the other party can terminate the agreement by giving six months' prior notice. When this imbalance is identified, the principal value and the difference between the annuity provided to the caretaker, as determined by the social security institution, will be taken into account.

Any obligations fulfilled prior to termination will be evaluated with the principal amount and interest, and the excess will be returned to the party that benefited.

II. Termination Without Prior Notice

ARTICLE 617 - If the agreement's terms are violated or if there are other significant reasons that make continuing the contract impossible or overly burdensome, either party may terminate the agreement without prior notice.

If terminated under such conditions, the party at fault must return the items received and compensate the other party for damages suffered.

The judge may also, if deemed appropriate, end the agreement and provide the care recipient with an annuity for the rest of their life, with the decision taken by the request of one of the parties or by the court's own motion.

III. Death of the Caretaker

ARTICLE 618 - If the caretaker dies, the care recipient may request the termination of the agreement within one year.

In such a case, the care recipient may request the amount equivalent to the value of the debt from the caretaker's heirs, if the caretaker has gone bankrupt.

G. Non-transferability, Bankruptcy, and Seizure

ARTICLE 619 - The care recipient may not transfer their rights to another person.

If the caretaker goes bankrupt, the care recipient has the right to request a sum of money equal to the principal value of the debt from the bankruptcy estate.

The care recipient may also join in any seizure proceedings conducted by third parties against the debtor to recover this amount.